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 DAVID NANCE

**UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION**

DAVID M. NANCE, <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> GEORGE SHENG, and PEACE ELECTRONICS, INC., and DOES 1-20, <p style="text-align: center;">Defendants.</p>	Case No.: 3:08-CV-01450-SI ANSWER OF DAVID M. NANCE TO COUNTERCLAIM FILED BY GEORGE SHENG AND PEACE ELECTRONICS, INC.
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Upon knowledge with respect to himself and his own acts and information and belief as to all other matters, Plaintiff/Counter-Defendant DAVID M. NANCE ("Nance") files this Answer to the Cross-Complaint filed on July 11, 2008 in the District Court of the Northern District of California (the "Counterclaim") by Defendants/Counterclaimants GEORGE SHENG and PEACE ELECTRONICS, INC., (collectively "Defendants") as follows:

**NANCE'S ANSWER TO THE ALLEGATIONS IN
 DEFENDANTS COUNTERCLAIM**

1. Answering Paragraph 20 of Defendants' Counterclaim, Nance admits

1 the allegations contained therein. Except as so admitted, the allegations of this
2 paragraph are denied.

3 2. Answering Paragraph 21 of Defendants' Counterclaim, Nance admits
4 the allegations contained therein. Except as so admitted, the allegations of
5 this paragraph are denied.

6 3. Answering Paragraph 22 of Defendants' Counterclaim, Nance admits
7 the allegations contained therein. Except as so admitted, the allegations of
8 this paragraph are denied.

9 4. Answering Paragraph 33 of the Counterclaim, Nance admits
10 Defendants incorporate by reference the preceding paragraphs 1-32. To the
11 extent a response is required, Nance denies the allegations.

12 5. Answering Paragraph 34 of the Counterclaim, Nance admits an
13 actual, substantial, and continuing justiciable controversy between Nance and
14 Defendants exists regarding infringement of the '478 patent. Except as so
15 admitted, the allegations of this paragraph are denied.

16 6. Answering Paragraph 35 of the Counterclaim, Nance denies the
17 allegations contained therein.

18 7. Answering Paragraph 36 of the Counterclaim, Nance denies the
19 allegations contained therein.

20 8. Answering Paragraph 37 of the Counterclaim, Nance denies the
21 allegations contained therein.

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1 9. The remaining allegations in the Counterclaim constitute a prayer
2 for relief and therefore require no response. To the extent a response is
3 required, Nance denies the allegations.
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5 Dated: September 2, 2008
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7 CASAS RILEY & SIMONIAN, LLP
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9 By: /s/ Martin H. Q. Nguyen
10 Martin H.Q. Nguyen
11 Attorneys for Plaintiff
DAVID M. NANCE

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13 **I. DEMAND FOR TRIAL BY JURY**

14 Nance hereby demands a trial by jury of all issues triable by a jury.
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16 Dated: September 2, 2008
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18 CASAS RILEY & SIMONIAN, LLP
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20 By: /S/ Martin H. Q. Nguyen
21 Martin H.Q. Nguyen
22 Attorneys for Plaintiff
23 DAVID M. NANCE
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